

RECORD OF PROCEEDINGS

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**MINUTES OF A SPECIAL MEETING  
OF THE BOARD OF DIRECTORS OF THE  
PARKER JORDAN METROPOLITAN DISTRICT  
HELD  
NOVEMBER 15, 2013**

A special meeting of the Board of Directors (the "Board") of the Parker Jordan Metropolitan District (the "District") was held on November 15, 2013 at 11:00 a.m. at CliftonLarsonAllen LLP, located at 8390 E. Crescent Parkway, Suite 500, Greenwood Village, CO 80111.

Attendance

In attendance were Directors:

Norman A. Sheldon  
Bill Lamberton  
Clint Waldron  
Don Leyn  
Kevin Pettway (via telephone and left the meeting at 12:20 p.m.)

Also in attendance were:

Bob Blodgett, Mat Mendisco, and Kevin Collins; CliftonLarsonAllen LLP  
Rick Kron; Spencer Fane & Grimshaw LLP  
Ron Lambert; Mulhern MRE  
Doug Blue, Randy Hawbaker, Bob Hawbaker; Cherry Creek School District  
Mike Wurdeman; Red Hawk Ridge Elementary School  
Jeff Wohlfarth & Craig Karn; Consilium Design

Call to Order

Director Sheldon called the meeting to order at 11:05 a.m.

Pledge of  
Allegiance

Mr. Blue led the Board and audience in the pledge of allegiance.

Declaration of  
Quorum/Director  
Qualifications  
Disclosure Matters

The Board was advised that pursuant to Colorado law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Board then reviewed the agenda for the meeting, following which each Board member confirmed the contents of any written disclosure previously made of record, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of members present was necessary to obtain a quorum or otherwise enable the Board to act.

Director Sheldon reported that he had disclosed his interest as an owner of property located in the District. His son, Dan Sheldon, owns a minority

RECORD OF PROCEEDINGS

interest in South Creek Investors, LLC and Director Sheldon has no financial interest therein. Director Sheldon is adding his wife as an owner of property in the District. These disclosures are in association with the consideration and/or approval of agenda items which may affect his interests. A written disclosure of his interests was filed with the Secretary of State prior to the meeting.

Director Lamberton reported that he had disclosed his interest as an owner of property located in the District. He is a director and owns a minority interest in Emerald Isle Landscaping, LLC, and family members have additional interests therein. Director Lamberton reported he is a co-signer on an equipment loan for Emerald Isle Landscaping, LLC. The disclosure is in association with the consideration and/or approval of agenda items which may affect his interests. A written disclosure of his interests was filed with the Secretary of State prior to the meeting.

Director Waldron reported that he had disclosed his interest as an owner of property located in the District. Director Waldron is also an associate attorney with White, Bear & Ankele, which serves as general counsel to Cornerstar Metropolitan District. The disclosure is in association with the consideration and/or approval of agenda items which may affect his interests. A written disclosure of his interests was filed with the Secretary of State prior to the meeting.

Director Leyn reported that he owns a 50% interest in Universal Lighting Systems, LLC and owns a residence in the District. A written disclosure of his interests was filed with the Secretary of State prior to the meeting.

Director Pettway reported that he is a homeowner in the Southcreek Subdivision within the District and is a member of the Board of the Southcreek Master HOA. A written disclosure of his interests was filed with the Secretary of State prior to the meeting.

Consideration  
of Agenda

Mr. Blodgett recommended that the October claims, Director's fees, Western States Reclamation proposal for consulting costs and Western States Reclamation proposal for PJCOS haul road restoration be added to the agenda. The Board concurred. The Board approved the agenda as amended.

Public  
Comment

None.

Red Hawk  
Ridge

Red Hawk Ridge Elementary School Playground Project

a. Design and Cost Estimate

## RECORD OF PROCEEDINGS

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Mr. Wohlfarth reviewed the preliminary design and cost estimate with the Board. He reported the design was an effort to meet the priorities of the Red Hawk Ridge Elementary School and Cherry Creek School District, following their recent meeting with them. The preliminary cost estimate from the conceptual design is \$660,746.

b. Red Hawk Ridge Elementary School Comments – Mike Wurdeman

Mr. Wurdeman stated his highest priorities are the artificial turf and the shade structure on the playground. Mr. Randy Hawbaker reported that the Cherry Creek School District is gradually converting high use practice fields and play fields to artificial turf as money allows. Several of these projects were included in the recent bond issues which are underway. It was his hope that if savings were identified in the bond issue, some money would be available for the artificial turf at the Red Hawk Ridge Elementary School. Director Sheldon reported that the District's preliminary budget was approximately \$350,000. Reductions may need to be made in this overall project. He asked if the school district had any funds to contribute to the project? Mr. Randy Hawbaker reported that District proceeds from the recent bond issue have all been allocated and prioritized among the schools. He would look for opportunities with savings from the bond issue to apply towards Red Hawk Ridge Elementary School playground. However, this may not be known for another few years.

At this point, the school district representatives left the meeting.

The Board decided to continue discussion during the 2014 budget presentation.

c. IGA Status – Rick Kron

Mr. Kron reported the IGA has been finalized with comments from the school district's attorney. The Board asked that a specific timeframe for completion of the projects be added. Mr. Kron also noted that the IGA calls for the District to deposit 120% of the actual construction bid into escrow for the project. Any funds not expended would be reimbursed to the District. A project recognition plaque would be a part of the cost of the construction contract.

d. Next Steps – All

The Board will continue discussion later in the Board meeting.

## RECORD OF PROCEEDINGS

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Mr. Collins reviewed the preliminary budget with the Board. After discussion, the Board decided to reduce The General Fund mill levy by 2 mills from 7 mills to 5 mills, and increase The Debt Service mill levy by 1.5 mill from 14.1 mill to 14.6 mills. The net reduction in the overall mill levy is from 23 mills to 21.5 mills. The Board authorized Mr. Collins to prepare this final draft for review at the December 2<sup>nd</sup> Board meeting and public hearing.

a. Reserve Study – ARS

Mr. Blodgett reported that he asked ARS to use the target year end fund balance in the 2013 General Fund budget of \$250,000 as the initial operating reserve. The ARS work indicates approximately \$60,000 per year is needed to set aside to pay for the future repair and replacement of the District owned assets. The ARS recommends that the funds be set aside after 2016 since the \$250,000 reserve is an overfunding of the \$60,000 per year at the present time. Mr. Blodgett reported he has reviewed this with Mr. Brasel at the City of Centennial. All of the assets other than Jordan Road and Broncos Parkway medians are in PJCOS. The City of Centennial will pay their portion of share of the study for the assets in PJCOS.

b. Mill Levy Options

No further discussion.

c. Future Direction of District

The Board discussed the Red Hawk Ridge Elementary School playground again. Directors Waldron and Lamberton indicated this is exactly the type of project the District is seeking. The District can fund the project without having an ongoing maintenance obligation. If the District allocates the \$650,000 for it, there will still be some funds left in the Capital Projects Fund for other projects if needed.

After further discussion, the Board asked that a meeting be set with Mr. Wurdeman, Mr. Hawbaker, Directors Sheldon and Waldron and Mr. Blodgett as soon as possible to further discuss the project and its funding with the Cherry Creek School District.

d. Other Items

None.

Director's  
Items

Mr. Lambert reviewed the results of the recent tour of the PJCOS 27-Acre Open Space Grant Project with Mr. Chenoweth of Western States Reclamation and Director Sheldon. Western States Reclamation is

RECORD OF PROCEEDINGS

requesting a not to exceed \$3,000 to analyze the Open Space and do soil studies for future restoration.

He presented a proposal, by WSR for \$14,848 to restore the haul road in the 27- Acre Open Space area.

Director Lamberton expressed concern about the strategy of continuing to spray for weeds while trying to restore the property. The Board asked Mr. Lamberton to speak with Mr. Chenoweth about his recommendations.

After discussion, upon a motion duly made by Director Waldron, seconded by Director Sheldon, and upon vote, unanimously carried, the Board approved the Western States Reclamation proposals for \$3,000 and \$14,848 contingent on Director Lamberton's review and recommendation after speaking with Mr. Chenoweth.

Director Sheldon asked that Mr. Blodgett, Mr. Mendisco and Ms. Brandenburger be able to access the kiosk remotely to make changes. Mr. Blodgett indicated Mr. Nearing is typically used for this because his hourly rate is much lower. Mr. Blodgett will ensure that the CliftonLarsonAllen LLP staff can also make these changes when needed in a timely manner. Director Sheldon noted that the kiosk has recently been out of date again related to Board meetings.

Director Sheldon asked Mr. Blodgett and Mr. Lambert to contact Mr. Schmidt at Arapahoe County to attempt to expedite the Ladera Connection review. Mr. Lambert reported the construction plans are still being reviewed. The Board has approved the final payment of fees to Arapahoe County and SEMSWA at today's meeting.

Mr. Kron reported that Ms. Kristen Bear of White, Bear & Ankele, attorney for Cornerstar Metropolitan District, contacted Mr. Kron to request assigning the Cornerstar exclusion agreement to a new buyer. They will pay Mr. Kron's expenses. The Board concurred in this assignment. Mr. Kron will proceed.

Adjournment

Upon a motion duly made by Director Waldron, seconded by Director Lamberton, and upon vote, unanimously carried, the Board adjourned the meeting at 1:45 p.m.

  
Secretary for the Meeting